

Update of California Department of Water Resources Power Purchase Contract Efforts

Prepared by

California Department of Water
Resources

May 31, 2001

Table of Contents

	Page
Estimated Net Short Energy Requirements.....	3
DWR's Methods to Meet Net Short Energy Requirements.....	4
Componenets of DWR Purchases of Net Short Energy.....	5
Qualifying Facility Capacity Return to Operation.....	6
DWR Power Contract Progress.....	7
Summary of Changes from April 18, 2001 Update.....	9
Annual Net Short Energy Projection.....	10
With Increased Contract Volumes, Prices are Stablized.....	12
Annual Average Cost of Contract Energy 2001 – 2003.....	13
Quarterly Average Cost of Contract Energy 2001 – 2010.....	14
Summer Peaking Additions Under Contract.....	15
Percent of Net Short Energy Needs Met By Contracts.....	17
On-Peak vs. Off-Peak Net Short Energy Needs Met by Contracts 2001- 2003.....	18
Targeted Contract Arrangements to Complete DWR's Portfolio.....	23
Appendix.....	24

Estimated Net Short Energy Requirements

- DWR is purchasing the net short energy requirements for retail electric customers (Customers) of the California investor-owned utilities (IOUs). The net short energy requirements represent the difference between the Customers' total electricity requirements and the amount of energy provided by the IOUs' retained generation, which includes:
 - Generating resources owned by the IOUs (nuclear, hydroelectric, and some fossil-fueled generation located both in California and out of state)
 - Capacity and energy from Qualifying Facilities (QFs) under contract to the three IOUs (renewable energy resources or cogeneration facilities operating under standard offer agreements with the IOUs)
 - Certain existing power purchase agreements (PPA) or "bilateral" contracts held by the IOUs.
- The amount of the net short energy requirements, in any given month, is dependent upon the Customers' total electric energy requirements and the amount of energy produced by the utility retained generation.
- Reduced hydroelectric generation capability in California in 2001 has also reduced the energy produced by the utility retained generation, increasing net short energy requirements for 2001 as compared to average conditions. These increases are also reflected in the projected net short energy requirements.
- The net short energy requirements presented herein are based on forecasts created earlier this year and are subject to adjustment based upon actual Customer demand and any future changes in utility retained generation energy production, and changes in Customer direct access trends. Such updates will be completed before DWR issues bonds for the energy procurement program.
- In the enclosed Appendix, are tables and figures of estimated total IOU Customer electric loads and energy requirements and net short energy requirements.

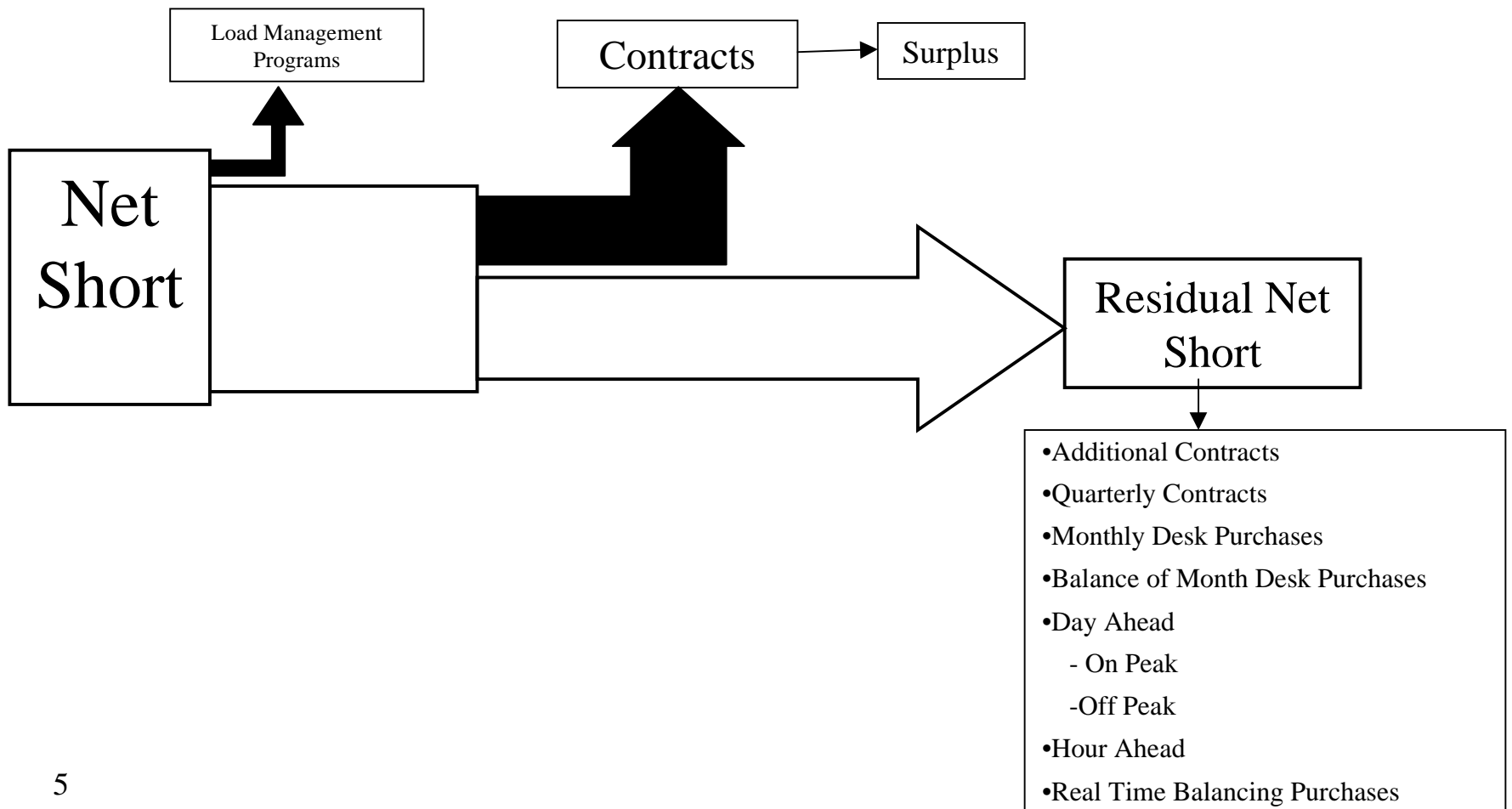
DWR's Methods to Meet Net Short Energy Requirements

DWR's approach to meeting the net short energy requirements, as shown conceptually on Figure 1, is multi-faceted:

- First, DWR's analysis incorporates assumed reductions provided by load management programs (Governor's 20/20 Program, various legislatively established conservation programs, and several voluntary load curtailment programs).
- Second, DWR has entered in a significant number of contracts and continues to negotiate long-term power contracts. Initial contracting activity succeeded in drastically reducing the amount of energy subject to spot market prices. Current activity is focused on achieving further reductions in the peak load aspect of the net short through dispatchable resources to follow peak load.
- The "residual net short" is the amount of power needs currently remaining after accounting for DWR's long-term contracting activities. DWR will meet these remaining power needs through the strategic balancing of a variety of options, including:
 - Additional long-term contracting;
 - "Short-term" contracting performed by DWR's trading desk to take advantage of changing market conditions (e.g. contracts for Quarterly, Monthly, Balance-of-Month, Day-Ahead, Hour-Ahead); and
 - Real-time supply through the ISO.

Components of DWR Purchases of Net Short Energy

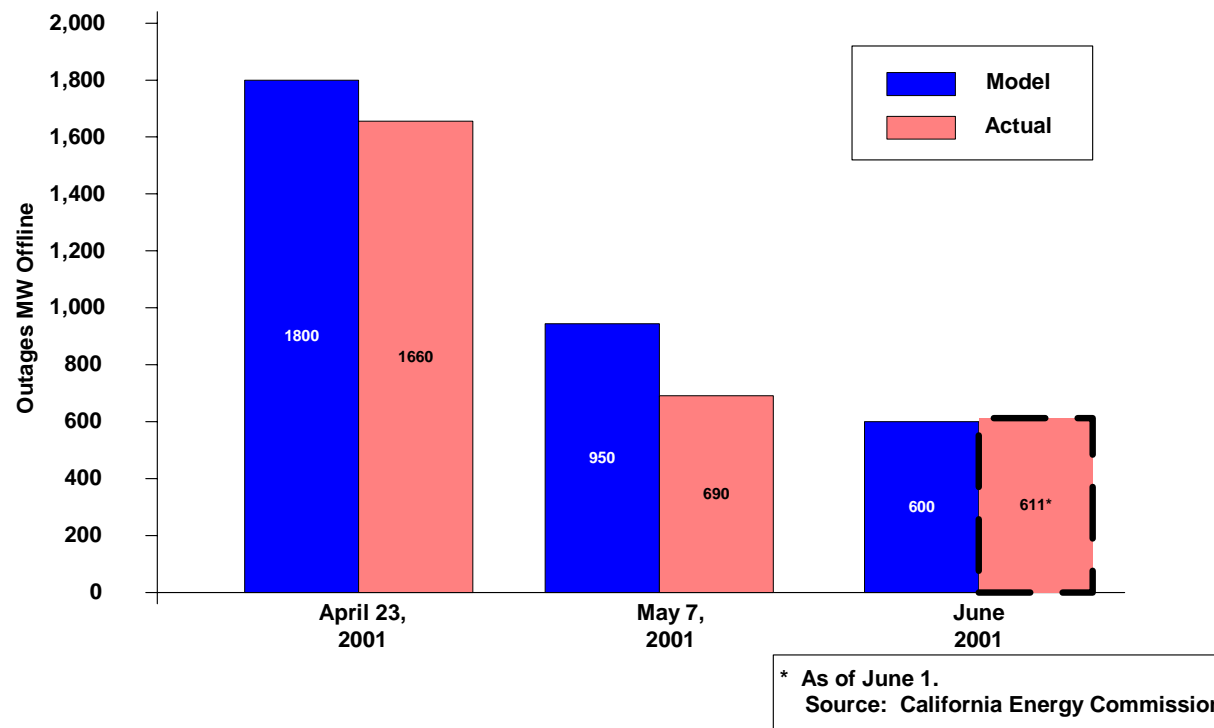
Figure 1



Qualifying Facility Capacity Return to Operation

- In prior projections, QF capacity was estimated to be reduced by 1,800 MW in April 2001, 950 MW in May, and approximately 550 MW in June 2001, with similar reductions to the June level thereafter.
- As shown in Figure 2, the QF capacity has returned to levels better than these projections, as of the first week of May.

Figure 2
Qualifying Facility
Scheduled and Unscheduled Outages

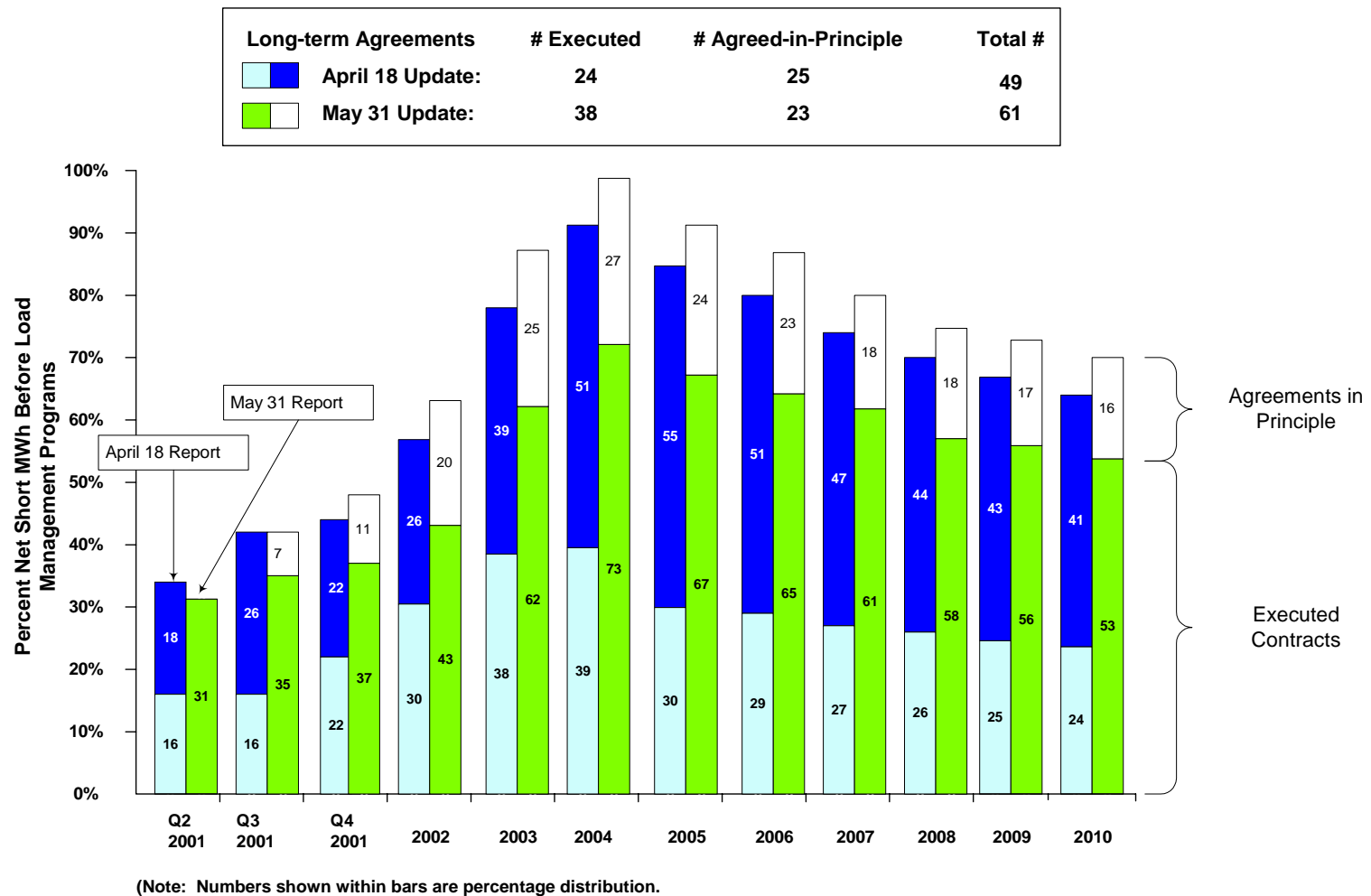


DWR Power Contract Progress

- Figure 3 shows the changes in contract additions since the April 18 update report provided by DWR.
- Note that this depiction of the contract annual energy volumes includes energy available from dispatchable generating units. For dispatchable contracts, DWR typically pays a fixed monthly or annual capacity payment and has rights to dispatch (require operation) of the unit, typically intended for peak hours. This figure shows the amount of energy if all the available dispatchable energy was requested.

DWR Power Contract Progress (cont'd)

Figure 3



Summary of Changes from April 18, 2001 Update

- Average annual capacity under contract for 2001-2010 increased from 9,725 MW to 10,950 MW (including Executed agreements and Agreements in Principle).
- A net 14 additional agreements were Executed, providing a net additional 2,160 MW in 2001, and an annual average of 2,080 net additional MW during 2001-2010. Sources of the changes were:
 - 8 Agreements in Principle were converted to Executed Contracts
 - 5 new agreements which went directly to final Executed contracts without an intermediate Agreement in Principle
 - 2 PX Block Forward agreements were reclassified as Executed*
 - reduction of 1 Executed agreement which had an option for a term extension which was not exercised
- There was a net decrease of 2 Agreements in Principle. Sources of the changes were:
 - 11 new Agreements in Principle
 - 10 Agreements in Principle moved to the Executed category
 - 3 Agreements in Principle were cancelled

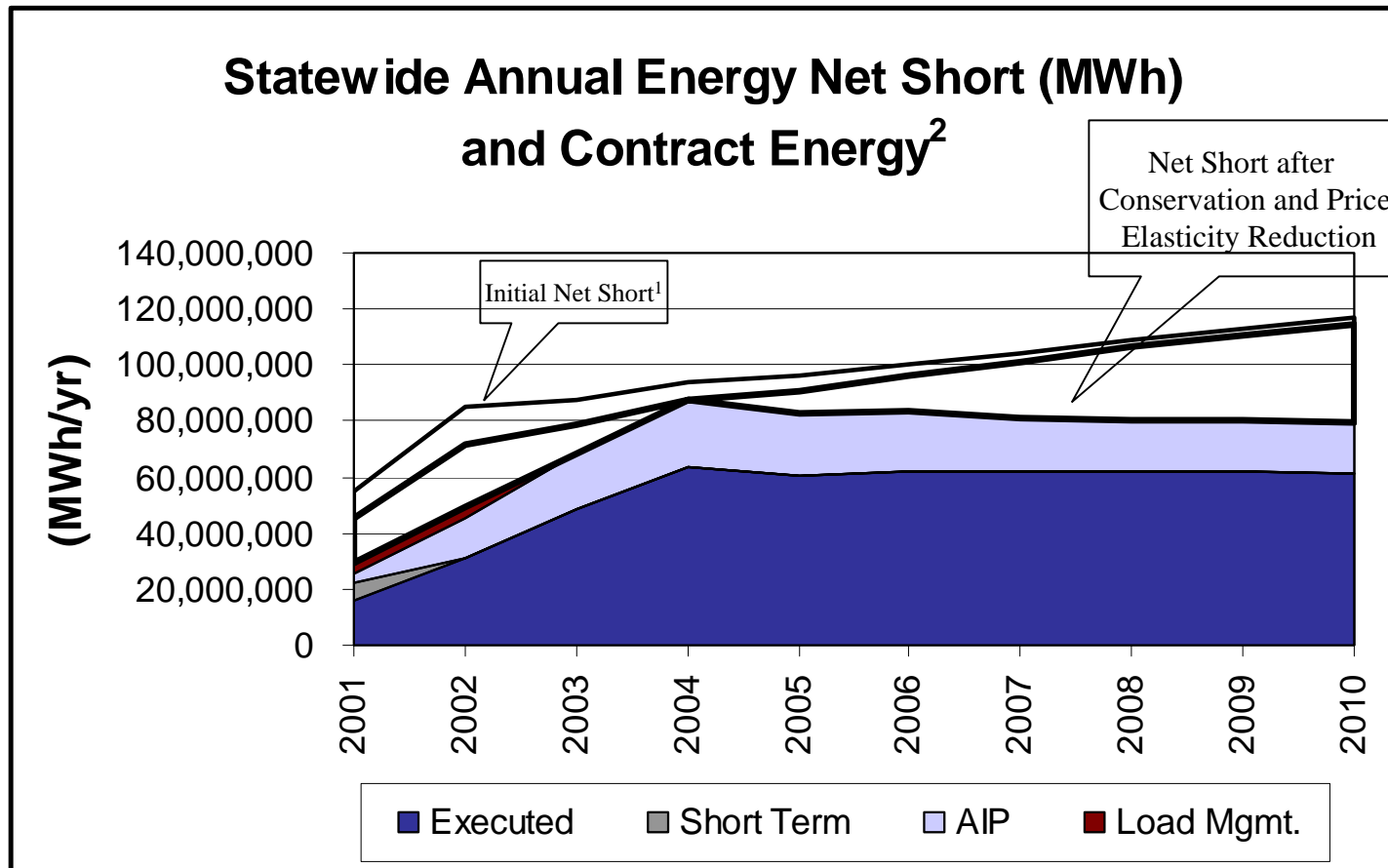
*While these agreements have fixed prices and power is being delivered, their final valuation is subject to dispute

Annual Net Short Energy Projection

- Figure 4 shows the updated projected annual net short energy needs and the amount of the estimated requirements to be met by energy conservation, funded load management and the energy under contract with DWR
- In the past few weeks, DWR's trading desk has increased its activity in purchasing energy on a "balance of month", monthly and quarterly basis. These purchases are shown as "Short Term" on Figure 4 and are reflected in the so-named shaded area during 2001. These short-term contract purchases reduce DWR's exposure to the spot (day-ahead and intra-day purchases) market.
- The Short-Term contracts are also executed contracts.

Annual Net Short Energy Requirements and Contract Energy

Figure 4



1. Some portion of the energy resented in this curve is dispatchable and would not be called upon for operation if the net short energy needs are less than available contract delivery quantities

2. 2001 based on May through December data.

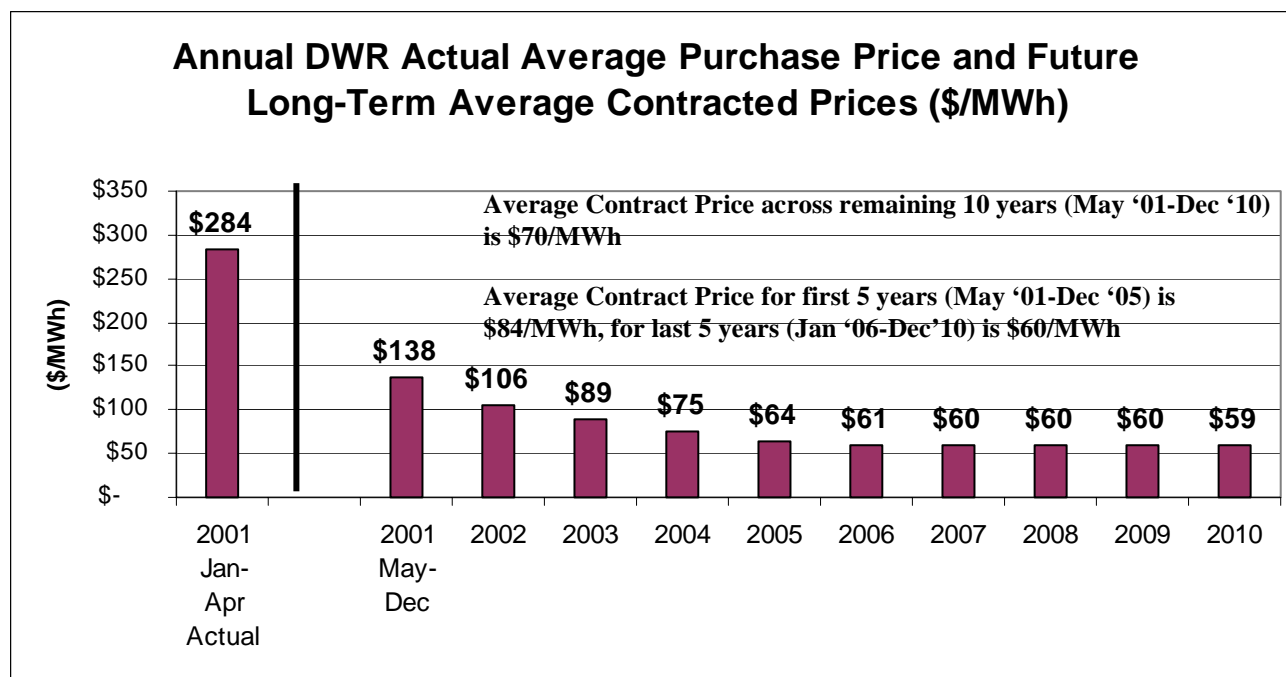
3. "AIP" = Agreement in Principle

With Increased Contract Volumes, Prices are Stabilized

- Figure 5 shows the average annual long-term contract costs including the increased quantities.
- Figure 6 shows the quarterly average contract prices for 2001 through 2003.

Annual Average Cost of Contract Energy 2001-2010

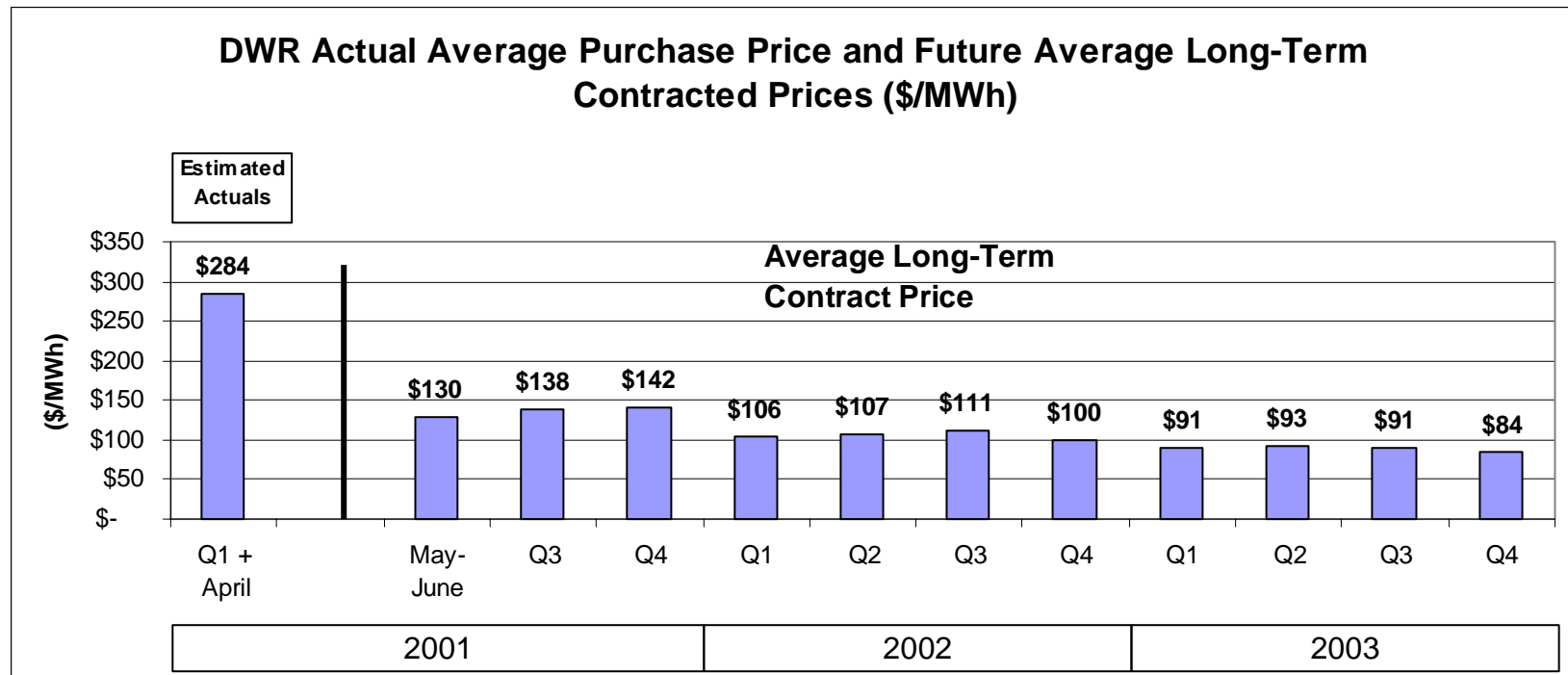
Figure 5



Note: Estimated actuals are subject to final accounting and CAISO settlement process

Quarterly Average Cost of Contract Energy 2001-2003

Figure 6



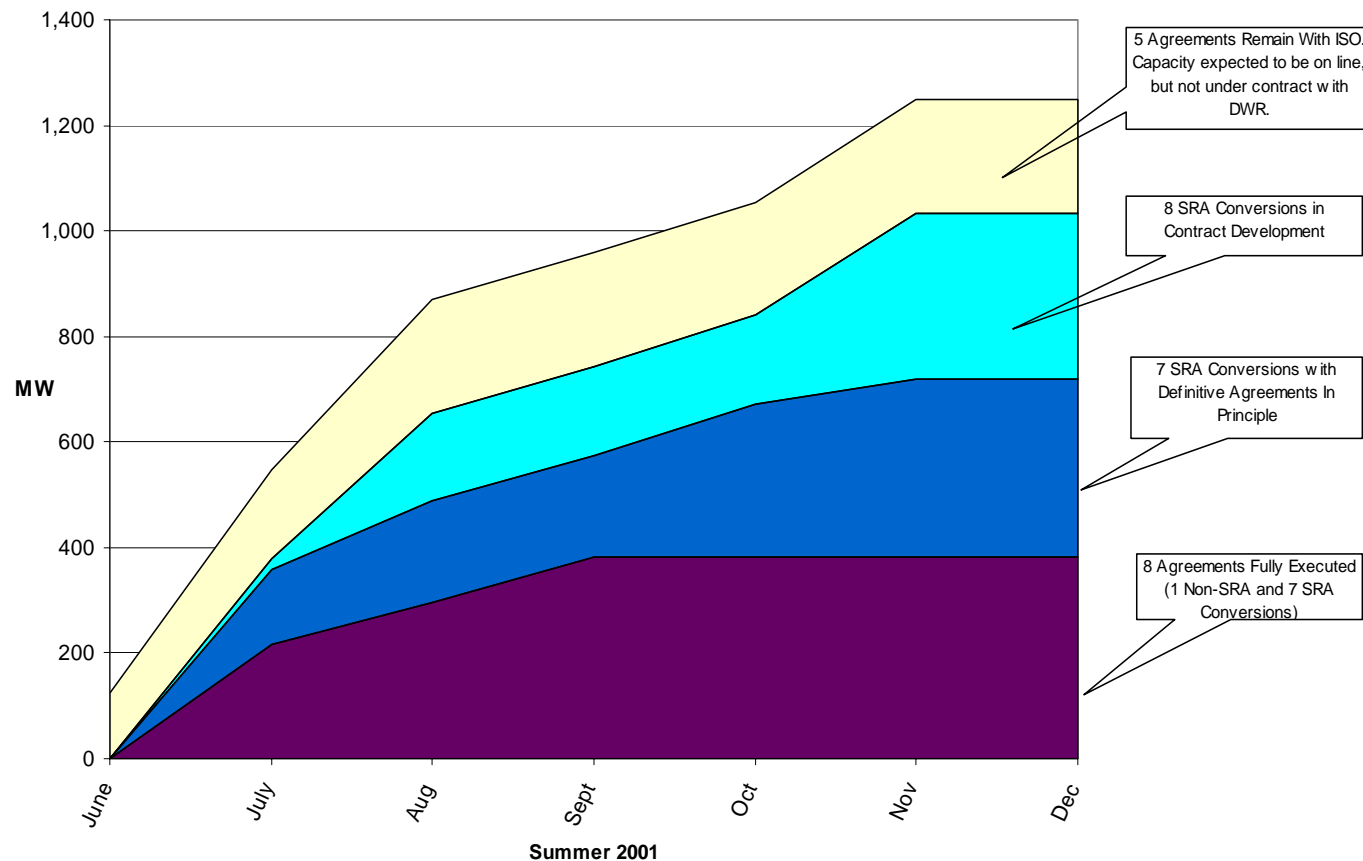
Note: Estimated actuals are subject to final accounting and CAISO settlement process

Summer Peaking Additions Under Contract

- Starting in February 2001, DWR has been negotiating with parties who had “Summer Reliability Agreements” (SRA) with the California Independent System Operator (CAISO) to convert those agreements to bilateral dispatchable peaking agreements with DWR.
- This conversion was undertaken because of the uncertainty of the CAISO’s ability to provide payment for the contracts due to the concerns about the creditworthiness of the IOUs, who would have been responsible for payment of the capacity under the contracts.
- In addition, DWR has negotiated contracts with other Non-SRA parties for accelerated development of peaking generation for commercial operation in 2001 to increase available peaking capacity to help meet the net short energy requirements.
- Figure 7 shows the monthly additions of peaking capacity from the combination of the (a) the non-SRA peaking units under contract with DWR, (b) the converted SRAs with fully executed agreements or agreements in principle, and (c) the developers who retained their SRAs with the CAISO. The SRA contract status information is summarized in more detail in the Appendix to this report.

Summer Peaking Additions* Under Contract (cont'd)

Figure 7



Summer Peaking Additions Under Contract (cont'd)

- Fully Executed/Agreement in Principle SRA Conversions - Three (3) SRA developers, representing 14 generating units for a total of approximately 640 MW have entered into either fully executed contracts or definitive agreements in principle for the sale of capacity and associated energy to DWR. Two developers representing 7 units with a total of approximately 300 MW have fully executed agreements. Final agreements for the seven (7) SRA projects agreed to in principle are expected by early June.
- Contract Development SRA Conversions - Two (2) SRA developers, representing eight (8) generating units for a total of approximately 340 MW are continuing to develop detailed contract terms for the sale of capacity and associated energy to DWR.
- Remaining with CaISO SRA - Three (3) of the SRA developers, representing 5 generating units and a total of 215 MW have elected to retain their SRAs with the CaISO and are expected to be operational this year.
- Fully Executed Agreements with Non-SRAs - As of the date of this report, DWR has entered into a fully executed agreement with one Non-SRA Party representing an additional summer peaking unit with a capacity of 88 MW in 2001 and 340 MW by the summer of 2002.

Percent of Net Short Capacity Needs Met by Contracts (MW)(After Reduction for Voluntary Conservation)

	<u>May-01</u>	<u>Jun-01</u>	<u>Jul-01</u>	<u>Aug-01</u>	<u>Sep-01</u>	<u>Oct-01</u>	<u>Nov-01</u>	<u>Dec-01</u>
Peak Net Short (Mw)	10,290	9,871	10,285	11,079	12,878	10,269	9,708	8,428
Executed Contracts (Mw)	3,215	4,249	4,496	4,768	4,937	3,902	3,714	3,714
AIP Contracts (Mw)	0	12	671	1,084	1,572	1,730	1,817	1,859
% of NS Met by Executed Contracts	31%	43%	44%	43%	38%	38%	38%	44%
% of NS Met by AIP Contracts	0%	0%	7%	10%	12%	17%	19%	22%
% of NS Met by Contracts	31%	43%	50%	53%	51%	55%	57%	66%

	<u>Jan-02</u>	<u>Feb-02</u>	<u>Mar-02</u>	<u>Apr-02</u>	<u>May-02</u>	<u>Jun-02</u>	<u>Jul-02</u>	<u>Aug-02</u>	<u>Sep-02</u>	<u>Oct-02</u>	<u>Nov-02</u>	<u>Dec-02</u>
Peak Net Short (Mw)	9,481	9,781	9,420	9,380	10,197	10,673	11,677	12,377	14,041	11,704	11,169	9,470
Executed Contracts (Mw)	3,603	3,603	3,505	3,929	3,929	4,649	5,790	5,835	5,835	5,610	4,919	4,919
AIP Contracts (Mw)	2,666	2,672	2,680	2,689	2,874	2,853	3,148	3,141	3,140	3,134	3,127	3,122
% of NS Met by Executed Contracts	38%	37%	37%	42%	39%	44%	50%	47%	42%	48%	44%	52%
% of NS Met by AIP Contracts	28%	27%	28%	29%	28%	27%	27%	25%	22%	27%	28%	33%
% of NS Met by Contracts	66%	64%	66%	71%	67%	70%	77%	73%	64%	75%	72%	85%

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Peak Net Short (Mw)	13,304	14,839	15,722	16,585	17,400	17,778	18,164	19,768
Executed Contracts (Mw)	8,241	9,524	8,887	8,825	8,825	8,531	8,531	8,237
AIP Contracts (Mw)	4,495	4,691	3,010	3,010	2,554	2,554	2,554	2,554
% of NS Met by Executed Contracts	62%	64%	57%	53%	51%	48%	47%	42%
% of NS Met by AIP Contracts	34%	32%	19%	18%	15%	14%	14%	13%
% of NS Met by Contracts	96%	96%	76%	71%	65%	62%	61%	55%

* Net short is energy requirements before effects of funded programmatic load management and load curtailment.

Peak Net Short is the Max Net Short for the Average Week of each Month (for 2003-10 Month shown is July)

AIP - Agreement in Principle

On-Peak vs. Off-Peak Net Short Needs Met by Contracts

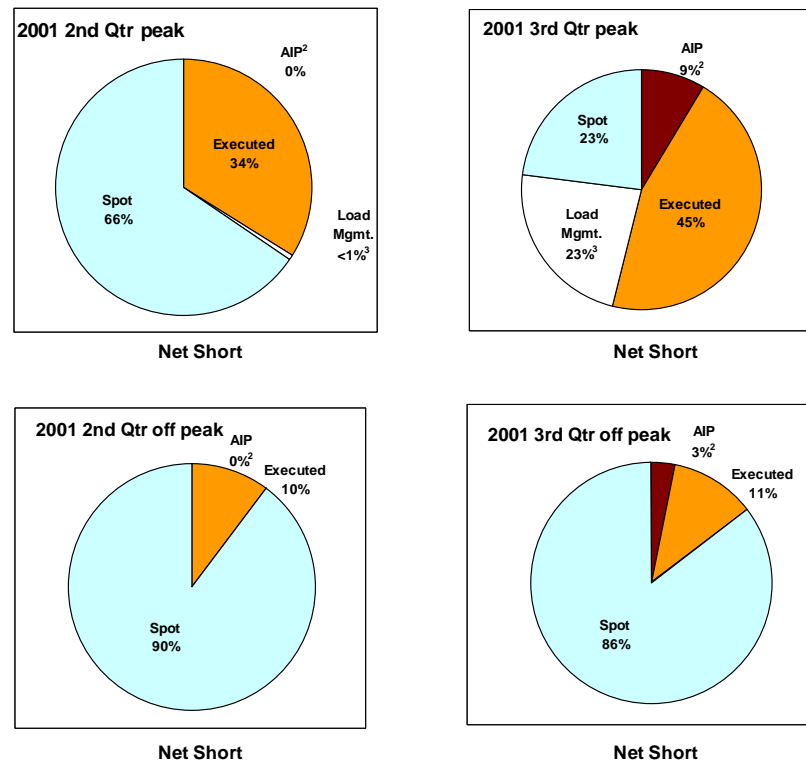
- Net short met by a combination of contracts, load management and spot market purchases.
 - Load management programs are expected to meet a significant part of the peak hour net short energy needs for the summers of 2001 and 2002 as shown on Figures 8, 9 and 10 comparing typical months for the 2nd and 3rd quarter residual net short energy requirements on-peak and off-peak for 2001, 2002, and 2003, respectively. These figures show the long-term contract purchases. In addition, a portion of what is shown as “spot” purchases are already covered by short-term purchases DWR’s trading desk has executed.
 - If the load management programs do not have their projected effect, the spot market purchases for the summer of 2001 and 2002 will increase.
 - In Summer 2001, a significantly higher percentage of long-term contracts are for the on-peak period, reducing the amount of more
- ¹⁹ costly on-peak energy that needs to be purchased in the short-term or spot market

DWR has Focused its Purchases for Summer 2001 on Peak Energy Needs - Limiting Exposure to Peak Spot Prices

Figure 8

2001 Typical 2nd Qtr vs 3rd Qtr Monthly Energy Sources to Meet Net Short Energy Requirements¹

(Comparison of On-Peak and Off-Peak, Long-Term Contracts)



¹Values are after adjustment for voluntary conservation not included in the programmatic, funded load management programs

²Agreements in Principle

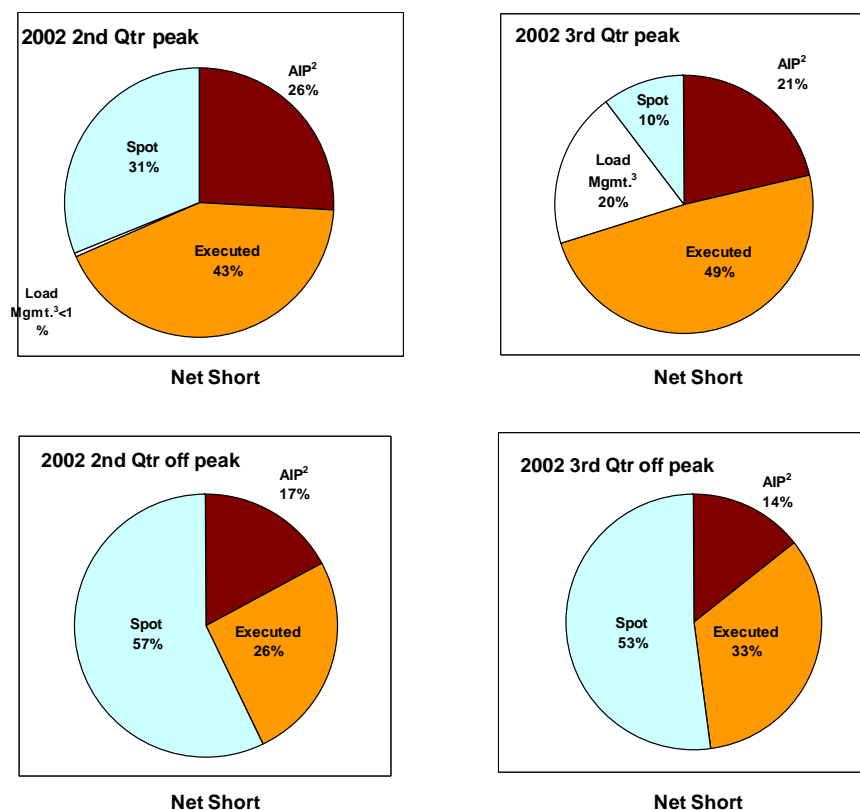
³Load management is funded conservation programs and paid load curtailment programs

2002 Summer Peak Spot Price Exposure is Less Than 2001

Figure 9

2002 Typical 2nd Qtr vs 3rd Qtr Monthly Energy Sources to Meet Net Short Energy Requirements

(Comparison of On-Peak and Off-Peak, Long-Term Contracts)



¹Values are after adjustment for voluntary conservation not included in the programmatic, funded load management programs

²Agreements in Principle

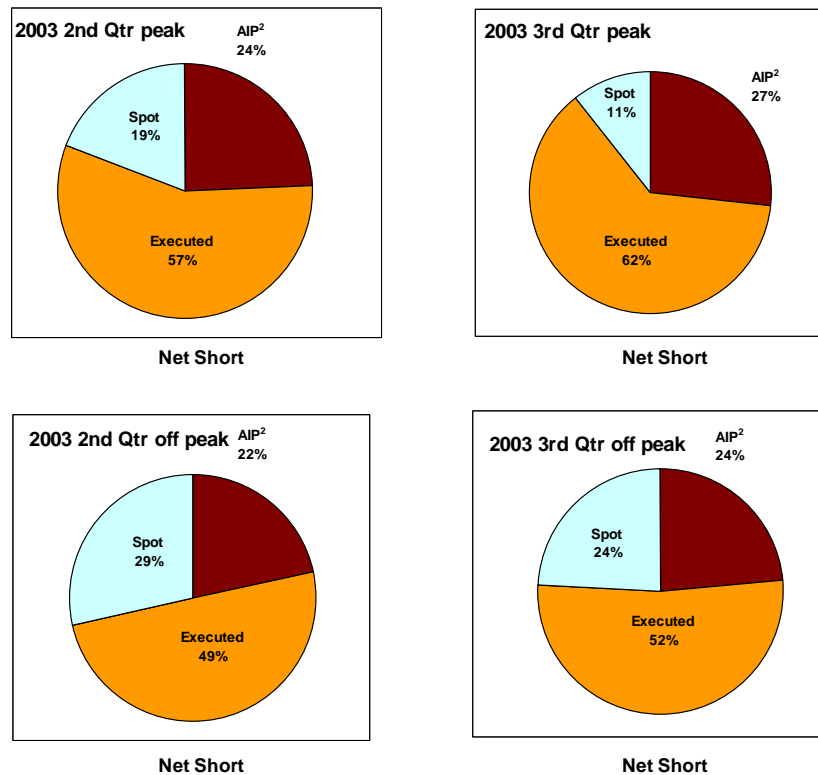
³Load management is funded conservation programs and paid load curtailment programs

By 2003, without Load Management Programs, Spot Market Exposure is Essentially Eliminated

Figure 10

**2003 Typical 2nd Qtr vs 3rd Qtr Monthly Energy
Sources to Meet Net Short Energy Requirements**

(Comparison of On-Peak and Off-Peak, Long-Term Contracts)



¹Values are after adjustment for voluntary conservation not included in the programmatic, funded load management programs

²Agreements in Principle

Targeted Contract Arrangements to Complete DWR's Power Supply Portfolio

- Based on contracts entered into to date, absent modification of existing contracts, DWR has no need for additional 7 x 24, baseload contracts on a year-around basis after 2001, or possibly a small amount in NP-15 in 2002.
- In NP-15 (north of the Path 15 transmission constraint), DWR is still seeking some limited summer 6 X 16 (6 days a week, 16 hours per day) power resources for 2001 and 2002, with flexibility to reduce on-peak hour obligations to take energy after 2002.
- For SP-15 (south of the Path 15 transmission constraint), DWR is only seeking fully dispatchable resources, wherein DWR will purchase capacity and pay for energy on an as-scheduled basis to follow demand.
- DWR remains interested in seasonal exchanges and will consider same day or intra-month off-peak for on-peak exchanges with suppliers out of state.
- There is interest in reasonably priced new peaking generation for deliveries starting in May 2002. The extent of this need is being evaluated based upon the final disposition of converting existing agreements in principle to fully executed power supply contracts.
- In addition to the contract energy presented in tables and figures herein, DWR is in negotiation with several other parties, representing over 1,000 MW of capacity not reflected in agreements in principle. The outcome of those discussions will also effect DWR's interest in any further contracts for 2002.

Appendix

May 31, 2001

Update to DWR Power Purchasing Contract Efforts

Supporting Data

Estimated Net Short Energy Requirements

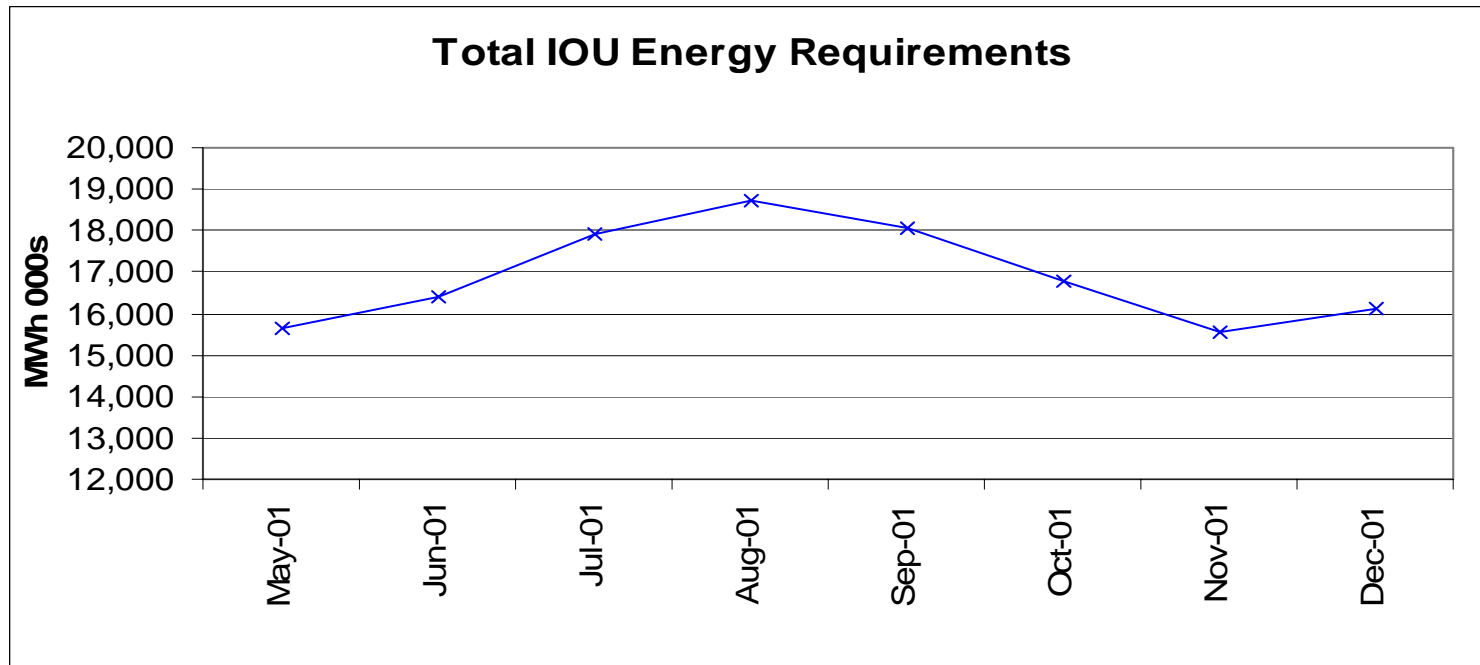
- Table A-1 and Figure A-1 present the combined total monthly energy requirements of the Customers on an actual basis for January through April, and a projection for May through December 2001. (These figures are for total Customer requirements rather than the net short energy requirements).
- The projected total energy requirements for May through December in Table A-1 and Figure A-1 is prior to any adjustment for change in energy consumption behavior by the Customers.
- Table A-2 and Figure A-2 provide the same estimate for annual energy requirements 2001 through 2010.
- Table A-3 and Figure A-3 show the estimated impact on energy requirements of Customer behavior due to (a) the present energy supply and general cost conditions, and (b) the expected price elasticity effects of the electric retail rate increase announced by the California Public Utilities Commission (PUC) on March 27, 2001, and proposed more specifically by rate class on May 9, 2001.
- The general Customer response to the current energy situation in California is estimated to reduce Customer demand by 4% across all hours. As of June 1, when retail rates will impact Customer utility rates by an average of about 30%, an additional 3%, for a total of 7% reduction in demand in all hours is expected as reflected in Table A-3 and Figure A-3.
- The above 7% reduction in demand is expected to last through 2002 and thereafter the effects are expected to decline as energy supplies increase and energy prices decline.

Table A-1

Total Projected IOU Energy Requirement (MWh 000s)*

	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01
2001 Total Projected IOU Load	15,634	16,424	17,924	18,717	18,068	16,763	15,559	16,117

Figure A-1



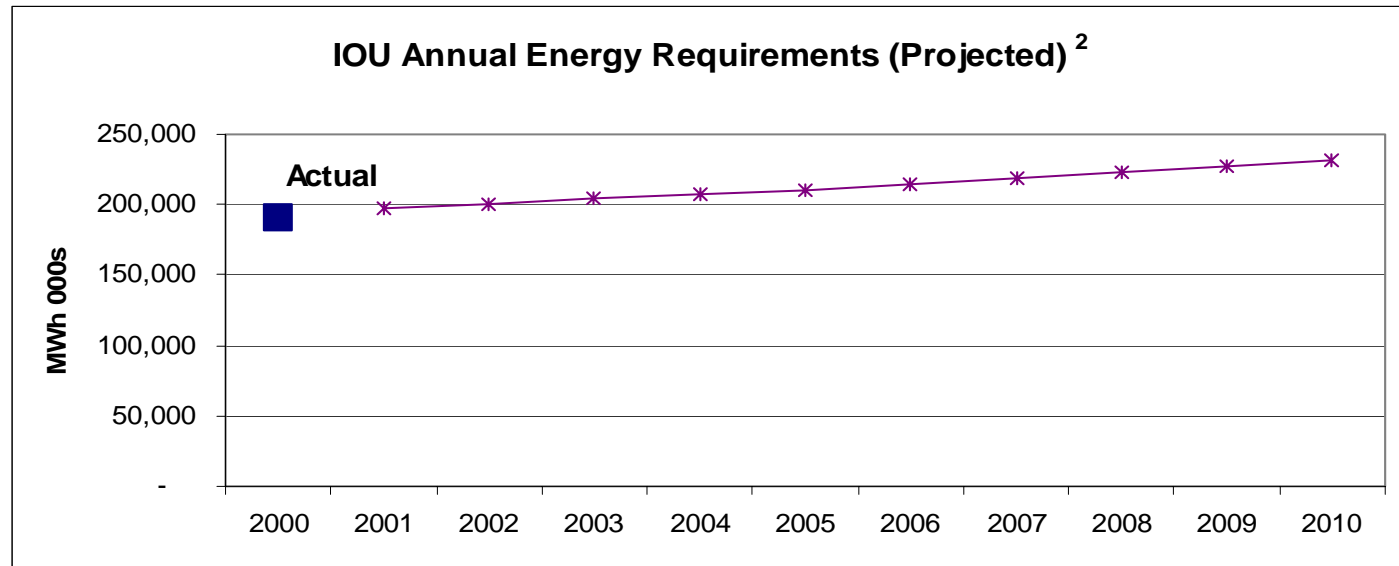
*Excluding observed and future expected customer usage changes due to interim energy shortage and retail rate increases, based on normal weather conditions

Table A-2

Total IOU Projected Annual Energy Requirement (MWh 000s)¹

	(Actual)										
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Total IOU Annual Projected Energy Requirement	189,983	196,797	200,524	204,360	208,015	210,500	214,448	218,688	223,263	226,848	230,927

Figure A-2



¹ Excluding observed and future expected customer usage changes due to interim energy shortage and retail rate increases, based on normal weather conditions

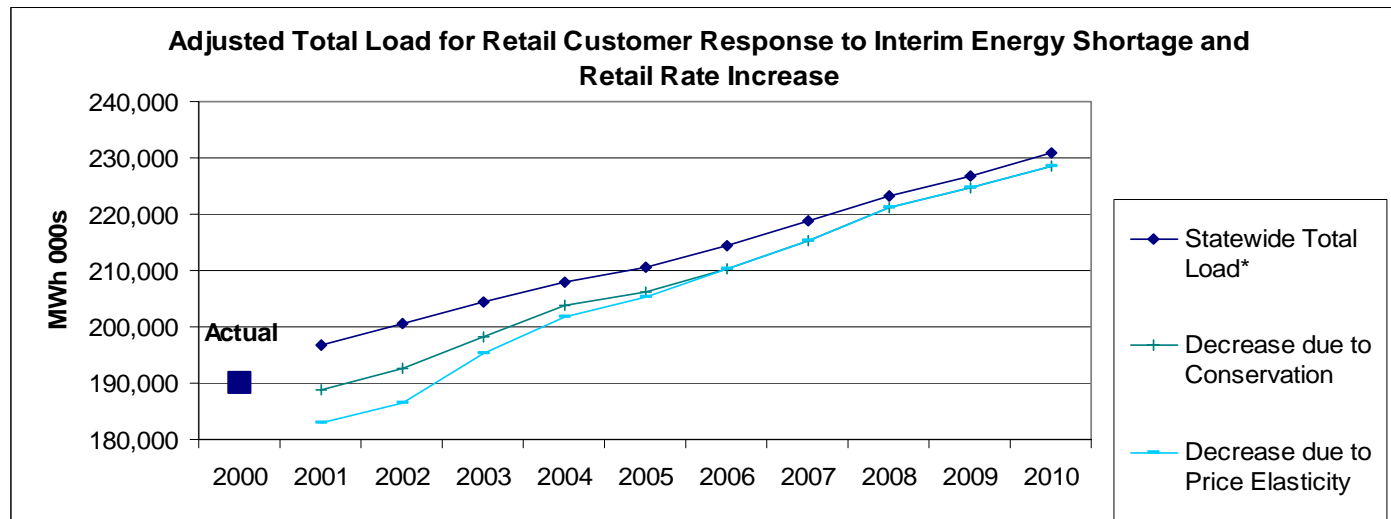
² Approximately 2% load growth for 2002-2010

Table A-3

**Adjusted Total Load for Retail Customer Response to Interim Energy Shortage and Retail Rate Increase
(MWh 000s)**

	(Actual) 2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Statewide Total Load*	189,983	196,797	200,524	204,360	208,015	210,500	214,448	218,688	223,263	226,848	230,927
Decrease due to Conservation		7,872	8,021	6,131	4,160	4,210	4,289	3,280	2,233	2,268	2,309
Decrease due to Price Elasticity		5,904	6,016	3,065	2,080	1,053	0	0	0	0	0
Total Adjusted Load		183,021	186,488	195,164	201,774	205,238	210,159	215,407	221,030	224,579	228,618

Figure A-3



* Excluding observed and future expected customer usage changes due to interim energy shortage and retail rate increases, based on normal weather conditions

Table A-4 and Figure A-4 present the estimated monthly net short energy requirements for the Customers for 2001, after non-funded Customer conservation and estimated demand reductions after the effects of price elasticity from retail rate increases.

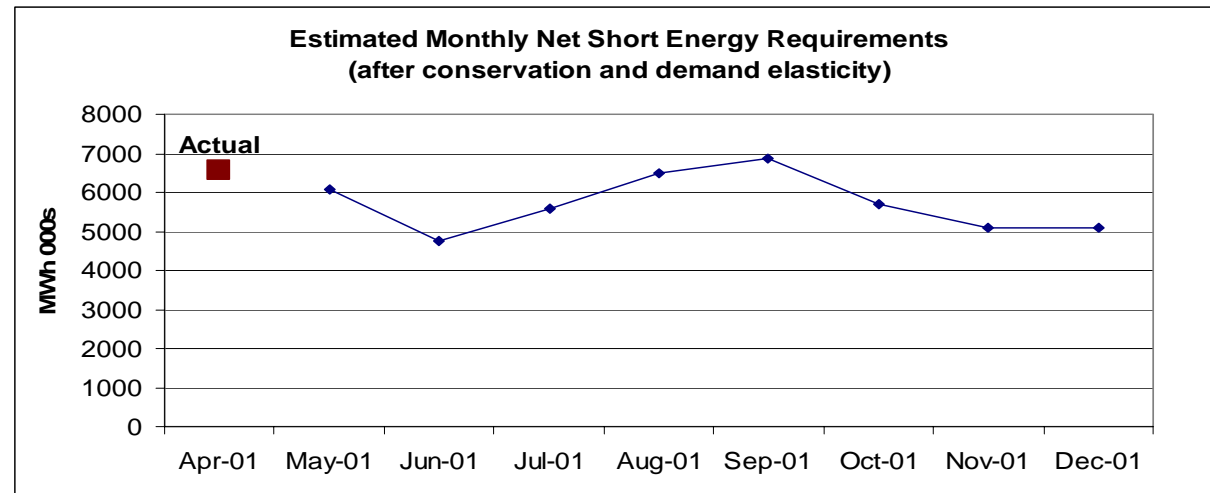
Table A-4

Estimated Monthly Net Short Energy Requirements for 2001 (MWh 000s)

	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01
Actual	6,582								
Forecasted		6,064	4,750	5,589	6,508	6,868	5,685	5,081	5,103

**Total Net Short after
Conservation and Demand
Elasticity***

Figure A-4



*Excludes effects of funded, programmatic load management and voluntary load curtailment, based on normal weather conditions

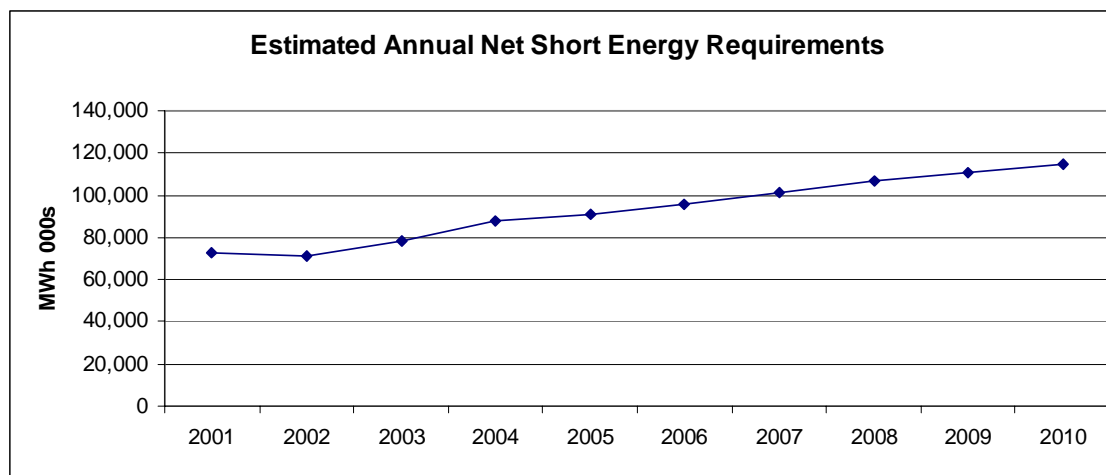
Table A-5 and Figure A-5 show similar annual estimates of the net short energy requirements for 2001 through 2010.

Table A-5

Estimated Annual Net Short Energy Requirements for 2001-2010 (MWh 000s)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Net Short after Load Reduction and Elasticity*	72,755	71,272	78,689	87,873	91,027	95,976	101,224	106,682	110,411	114,436

Figure A-5



*Excludes effects of funded, programmatic load management and voluntary load curtailment, based on normal weather conditions

Agreements Executed and Agreed to in Principle

Table A-6

AS OF May 31											STATUS				
Contact No.	Start	Term	Product	Zone	GENERAL TERMS							Submitted	Agreement in Principle	Signed Contract	
					MW 2001	MW 2002	MW 2003	MW 2004	MW 2005	MW 2006-10					
(MW shown reflect July capacity, before transmission losses)															
LONG TERM															
1	2/9/2001	5 yr	Peak	SP15	50	50	50	50	50		2/6/2001	2/7/2001	2/13/2001		
2	2/9/2001	5 yr	Peak	NP15	50	50	50	50	50		2/6/2001	2/7/2001	2/13/2001		
3	2/13/2001	14 mos	Base	NP15	18	*							2/01		
4	2/15/2001	5 yr	Base	SP15	50	50	50	50	50		2/6/2001	2/7/2001	2/20/2001		
5	2/7/01	Bal. '01	Op. Res.	NP15	Unspec.						2/9/2001	2/14/2001	2/20/2001		
6	3/1/2001	Bal '01	Peak	SP15	1000						2/22/2001	2/23/2001	3/2/2001		
7	3/1/2001	Bal. '01	OffPeak	SP15	**						2/22/2001	2/23/2001	3/2/2001		
8	4/1/2001	10 yr	Peak	SP15	175	200	250	250	300	300	2/5/2001	2/6/2001	2/16/2001		
9	6/1/2001	4.5 yr	Peak	SP15	140	160	240	320	400		2/9/2001	2/9/2001	2/21/2001		
10	6/1/2001	9.5 yr	Base	SP15	35	40	60	80	100	600	2/9/2001	2/9/2001	2/21/2001		
11	7/1/2001	9.5 yr	Base	NP15	200	1,000	1,000	1,000	1,000	1,000		2/21/2001	2/27/2001		
12	8/1/2001	20 yr	Peak	NP15	*	450	495	495	495	495		2/21/2001	2/27/2001		
13	10/1/2001	10 yr	Base	NP15	*	350	600	1,000	1,000	1,000	1/24/2001	2/6/2001	2/6/2001		
14	1/1/2002	3 yr	Base	SP15		200	200	200			2/22/2001	2/23/2001	3/2/2001		
15	1/1/2002	3 yr	Peak	SP15		600	600	600			2/22/2001	2/23/2001	3/2/2001		
16	1/1/2002	3 yr	Peak	SP15		500	500	500			2/22/2001	2/23/2001	3/2/2001		
17	1/1/2002	3 yr	OffPeak	SP15		**	**	**			2/22/2001	2/23/2001	3/2/2001		
18	1/1/2003	8 yr	Peak	SP15			500	500	500	500			2/21/2001		
19	7/1/2003	8.25 yr	Base	SP15			840	840	840	840	2/27/2001	2/28/2001	3/15/2001		
20	4/1/2001	2.25 yr	Peak	SP15	200	200	*				2/27/2001	2/28/2001	3/15/2001		
21	3/15/2001	6 mos	Peak	SP15	250						2/12/2001	2/26/2001	3/26/2001		
22	10/1/2001	10.25 yr	Base	SP15	*	250	250	500	1,000	1,000	2/12/2001	2/26/2001	3/26/2001		
23	6/1/2001	2.5 yr	Base	SP15	16	16	16				2/6/2001	2/7/2001	3/13/2001		
24	3/1/2001	Bal. '01	Peak	NP15	500							Jan	***		
25	4/1/2001	Bal. '01	Peak	SP15	925							Jan	***		
26	8/1/2001	10 yr	Sum. Peak	SP15	*	80	80	80	80	80		2/26/2001	4/24/2001		
27	1/1/2003	1 yr	Peak	NP15			150						4/27/2001		
28	6/1/2001	10.3 yr	Peak	SP15	250	300	350	700	700	700		2/28/2001	5/4/2001		
29	4/1/2002	9.5 yr	Base	SP15		150	1,000	1,200	1,200	1,200		2/28/2001	5/4/2001		
30	5/1/2001	4.5 yr	Base	NP15	13	13	13	13	13		2/6/2001	2/15/2001	5/4/2001		
31	9/1/2001	11.25 yr	Peak	NP15	*	340	430	430	430	430			5/11/2001		
32	6/1/2001	1.5 yr	Peak	NP15	500	500							5/22/2001		
33	4/1/2001	11.25 yr	Peak	NP15	150	375	550	550	550			3/16/2001	5/25/2001		
34	4/1/2001	11.25 yr	Peak	SP15	150	150	200	200	200	200		3/16/2001	5/25/2001		
35	7/1/2002	10 yr	Base	NP15		50	50	50	50	50		3/16/2001	5/25/2001		
36	7/1/2002	10 yr	Base	SP15		50	50	50	50	50		3/16/2001	5/25/2001		
37	6/1/2001	3 mos	Peak	SP15	40								5/16/2001		
38	5/3/2001	5 mos	OffPeak	SP15	**								5/16/2001		
39	3/1/2001	4 mos	Base	SP15	*						2/12/2001	2/15/2001			
40	9/1/2001	5 yr	Peak	SP15	*	270	270	270	270		2/16/2001	3/2/2001			
41	9/1/2001	5 yr	Base	SP15	*	180	180	180	180		2/16/2001	3/2/2001			
42	7/1/2001	10 yr	Base	NP15	100	200	200	400	400	400		2/9/2001	2/12/2001		
43	8/1/2001	17 mos	SSPeak	SP15	*	325					2/15/2001	3/2/2001			
44	6/1/2003	8 yr	Base	SP15			560	560	560	560	2/15/2001	3/2/2001			
45	1/1/2002	9 yr	Base	SP15		300	300	300	300	300	1/24/2001	2/28/2001			
46	1/1/2002	9 yr	Base	NP15		250	500	500	500	500	1/24/2001	2/28/2001			
47	7/1/2001	10 yr	SSPeak	NP15	48	144	144	144	144	144		2/28/2001			
48	8/1/2001	10 yr	SSPeak	SP15	*	192	192	192	192	192		2/28/2001			
49	11/1/2001	10 yr	Peak	NP15	*	*	*	*	*	*		2/28/2001			
50	11/1/2001	10 yr	Peak	SP15	*	*	*	*	*	*		2/28/2001			
51	6/1/2001	10 yr	Base	NP15	12	12	12	12	12	12			5/8/2001		
52	12/31/2001	12 yr	As Avail	SP15		66	66	66	66	66			5/8/2001		
53	12/31/2001	12 yr	As Avail	SP15		53	53	53	53	53			5/8/2001		
54	12/31/2001	12 yr	As Avail	SP15		43	43	43	43	43			5/8/2001		
55	7/2/2002	15 yr	Disp	SP15		189	288	288	288	288			5/3/2001		
56	7/1/2001	3.25 yr	Disp	SP15	525	745	1,490	1,490					5/15/2001		
57	7/1/2001	4 yr	Disp	NP15	**	180	225	225					5/15/2001		
58	9/11/2001	5 yr	Base	NP15	*	15	15	15	15	15			5/11/2001		
59	10/1/2001	9.75 yr	As Avail	SP15	*	66	66	66	66	66			4/24/2001		
60	9/30/2001	10 yr	Peak	SP15	*	13	13	13	13	13			5/23/2001		
61	9/30/2001	10 yr	Peak	NP15	*	17	17	17	17	17			5/23/2001		

Notes:

* Capacity provided during year, but not in July (month of maximum statewide net short)

** Off-Peak capacity is not part of peak MW tabulation

*** Lines 24 and 25 represent the PXBlock Forward contracts assumed by CDWR. They were reflected as Agreements in Principle in prior reports but are shown as Executed here

Summer Peaking Agreements 1-15 on Table 7 are represented in the agreements in this table.

NP15	1,441	3,721	4,276	4,901	4,676	4,613
SP15	3,806	5,438	8,757	9,641	7,501	7,051
Total	5,247	9,159	13,033	14,542	12,177	11,664
Agreements Being Negotiated	685	3,260	4,634	4,834	3,119	2,669
Contract Progress-Agreements Executed Since 4/18 Report	953	1,783	2,698	3,273	3,273	3,260
Previously Executed Agreements	3,609	4,116	5,701	6,435	5,785	5,735
	5,247	9,159	13,033	14,542	12,177	11,664

Summer Peaking Additions Under Contract

Table A-7

As of May 31				GENERAL TERMS												Signed Contract	Status/Comments
Project Number	Unit MW	Term	Zone	Start	June	July	Aug	Sept	Oct	Nov	Dec	Contract	Status				
Fully Executed Summer Peaking Additions with Non-SRA Parties																	
1	88	11yr	NP15	9/1/2001				88	88	88	88	PPA Executed	5/11/2001				
Fully Executed SRA Conversions																	
2	40	10 yr	SP15	8/1/2001			40	40	40	40	40	PPA Executed	4/25/2001				
3	40	10 yr	SP15	8/1/2001			40	40	40	40	40	PPA Executed	4/25/2001				
4	43	11.25 yr	SP15	7/1/2001		43	43	43	43	43	43	PPA Executed	5/25/2001				
5	43	11.25 yr	SP15	7/1/2001		43	43	43	43	43	43	PPA Executed	5/25/2001				
6	43	11.25 yr	SP15	7/1/2001		43	43	43	43	43	43	PPA Executed	5/25/2001				
7	43	11.25 yr	SP15	7/1/2001		43	43	43	43	43	43	PPA Executed	5/25/2001				
8	43	11.25 yr	SP15	7/1/2001		43	43	43	43	43	43	PPA Executed	5/25/2001				
Agreement in Principle SRA Conversions																	
9	49.3	10 yr	SP15	7/31/2001		48	48	48	48	48	48	LOI Signed	5/7/2001	Negotiating Final PPA-Exp. Early June			
10	49.3	10 yr	SP15	7/31/2001		48	48	48	48	48	48	LOI Signed	5/7/2001	Negotiating Final PPA-Exp. Early June			
11	49.3	10 yr	SP15	9/30/2001					48	48	48	LOI Signed	5/7/2001	Negotiating Final PPA-Exp. Early June			
12	49.3	10 yr	SP15	11/30/2001						48	48	LOI Signed	5/7/2001	Negotiating Final PPA-Exp. Early June			
13	49.3	10 yr	NP15	7/15/2001		48	48	48	48	48	48	LOI Signed	5/7/2001	Negotiating Final PPA-Exp. Early June			
14	49.3	10 yr	NP15	8/15/2001			48	48	48	48	48	LOI Signed	5/7/2001	Negotiating Final PPA-Exp. Early June			
15	49.3	10 yr	NP15	11/15/2001					48	48	48	LOI Signed	5/7/2001	Negotiating Final PPA-Exp. Early June			
Contract Development SRA Conversions																	
16	21.3	10 yr	NP15	7/1/2001		21.3	21.3	21.3	21.3	21.3	21.3	LOI	Est. 6/7/01	Drafting LOI			
17	49	10 yr	NP15	8/1/2001			49	49	49	49	49	LOI	Est. 6/7/01	Drafting LOI			
18	49	10 yr	NP15	8/7/2001			49	49	49	49	49	LOI	Est. 6/7/01	Drafting LOI			
19	49	10 yr	NP15	8/15/2001			49	49	49	49	49			Negotiating Terms			
20	24	10 yr		TBD										Negotiating Terms			
21	49	6 yr	NP15	11/1/2001						49	49			Lost Original Equipment - Re-Negotiating Term Sheet			
22	49	6 yr	NP15	11/1/2001						49	49			Lost Original Equipment - Re-Negotiating Term Sheet			
23	49	6 yr	NP15	11/1/2001						49	49			Lost Original Equipment - Re-Negotiating Term Sheet			
Remaining with CalISO SRA																	
24	48.6	10 yr	NP15	6/1/2001	48.6	48.6	48.6	48.6	48.6	48.6	48.6			Indicated intent to stay with ISO Contract			
25	48.6	10 yr	NP15	9/1/2001			48.6	48.6	48.6	48.6	48.6			Indicated intent to stay with ISO Contract			
26	44		SP15	6/15/2001	44	44	44	44	44	44	44			Indicated intent to stay with ISO Contract			
27	44		SP15	7/15/2001		44	44	44	44	44	44			Indicated intent to stay with ISO Contract			
28	30		SP15	6/1/2001	30	30	30	30	30	30	30			Indicated intent to stay with ISO Contract			
			NP15		49	118	362	450	498	645	645						
			SP15		74	429	509	509	557	605	605						
			Total MW		123	547	871	959	1,055	1,250	1,250						
					June	July	Aug	Sept	Oct	Nov	Dec						
			Indicated intent to stay with ISO SRA		123	167	215	215	215	215	215						
			Contract Development		0	21	168	168	168	315	315						
			Agreements In Principle		0	144	192	192	288	336	336						
			Fully Executed		0	215	295	383	383	383	383						
			Total MW		123	547	871	959	1,055	1,250	1,250						

Note: Summer Peaking Agreements 1-15 on this tab represented in the Agreements in Table 6

Note: Summer Peaking Agreements 1-15 on this table are represented in the Agreements in Table 6

Percent of Net Short Energy Needs Met by Long-Term Contracts(MWh 000s)

Table A-8

	<u>May-01</u>	<u>Jun-01</u>	<u>Jul-01</u>	<u>Aug-01</u>	<u>Sep-01</u>	<u>Oct-01</u>	<u>Nov-01</u>	<u>Dec-01</u>
Net Short (Gwh)	6,064	4,750	5,589	6,508	6,868	5,685	5,081	5,103
Executed Contracts (Gwh)	1,592	1,982	2,145	2,286	2,209	2,012	1,884	1,923
AIP Contracts (Gwh)	0	8	327	454	582	691	558	515
% of NS Met by Executed Contracts	26%	42%	38%	35%	32%	35%	37%	38%
% of NS Met by AIP Contracts	0%	0%	6%	7%	8%	12%	11%	10%
% of NS Met by Contracts	26%	42%	44%	42%	41%	48%	48%	48%

	<u>Jan-02</u>	<u>Feb-02</u>	<u>Mar-02</u>	<u>Apr-02</u>	<u>May-02</u>	<u>Jun-02</u>	<u>Jul-02</u>	<u>Aug-02</u>	<u>Sep-02</u>	<u>Oct-02</u>	<u>Nov-02</u>	<u>Dec-02</u>
Net Short (Gwh)	5,395	5,226	4,847	5,085	5,799	5,240	6,554	7,257	7,537	6,651	5,980	5,700
Executed Contracts (Gwh)	1,985	1,782	1,916	2,092	2,166	2,380	3,285	3,304	3,149	3,228	2,813	2,883
AIP Contracts (Gwh)	988	904	1,006	1,109	1,351	1,013	1,265	1,457	1,387	1,376	1,298	1,075
% of NS Met by Executed Contracts	37%	34%	40%	41%	37%	45%	50%	46%	42%	49%	47%	51%
% of NS Met by AIP Contracts	18%	17%	21%	22%	23%	19%	19%	20%	18%	21%	22%	19%
% of NS Met by Contracts	55%	51%	60%	63%	61%	65%	69%	66%	60%	69%	69%	69%

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Net Short (Gwh)	78,689	87,873	91,027	95,976	101,224	106,682	110,411	114,436
Executed Contracts (Gwh)	48,405	63,950	60,762	62,084	62,067	61,825	61,847	61,206
AIP Contracts (Gwh)	19,673	23,461	21,990	21,647	18,709	18,701	18,703	18,677
% of NS Met by Executed Contracts	62%	73%	67%	65%	61%	58%	56%	53%
% of NS Met by AIP Contracts	25%	27%	24%	23%	18%	18%	17%	16%
% of NS Met by Contracts	87%	99%	91%	87%	80%	75%	73%	70%

* Net short is energy requirements before effects of funded programmatic load management and load curtailment.

AIP - Agreement in Principle